

EXHIBIT 609

News & Information for Technology
PurchasersNewsFactor Network
Sites:NewsFactor.com | Security | BPM | CRM | Business | Sci-Tech | 

NEWSFACTOR.com


Search

[Home](#)[Enterprise I.T.](#)[Network Security](#)[Data Storage](#)[Wireless Tech](#)[More Topics...](#)

LEARN HOW >>

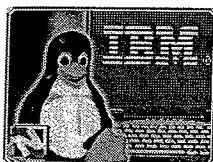
[Free Newsletters](#)[Download Zone](#)

October 25, 2006

 IBM: Innovation for CRM

Average Rating: ★★★★★

Rate this article (no registration required):



SCO Licensing Issue Riles Linux Users

By Jay Wroldstad

July 28, 2003 4:07PM

 Digg It!  Bookmark to del.cio.us

Securing copyrights adds a measure of credence to SCO's claims, says Yankee Group analyst Laura DiDio. "They are striking the right note of righteousness and responsibility."

» The SCO Group announced Monday that it has received copyrights for its Unix source code, increasing the pressure on Linux users in an ongoing dispute over the company's intellectual-property rights claims.

SCO also announced it would create a plan for selling licenses to all commercial users of Linux based on kernel version 2.4. or later. Pricing of the run-time, binary UnixWare license will be announced in the coming weeks.

Extracting Licenses

"We now have the right to enforce our copyrights with all end users," company spokesperson Blake Stowell told NewsFactor. "Our intention is not to press legal action. But for those customers who are unwilling to pay for the intellectual property we own -- and that they are using -- we will take any action necessary to extract a license from them."


This dispute started in March, when SCO filed a billion-dollar lawsuit alleging

advertisement

Microsoft

LONDON STOCK
EXCHANGE
ACHIEVES RECORD
RELIABILITY

FIND OUT HOW >>

 Windows Server
2003

advertisement

advertisement



Powerful,

Configurable,

that **IBM** misappropriated code from SCO's Unix OS, using it to boost Linux's capability. Then, in June, SCO terminated IBM's license to distribute AIX, IBM's Unix operating system, and notified 1,500 enterprises, warning them of potential legal action based on those companies' use of the Linux OS. IBM has denied the charges.

Beginning this week, SCO once again will start contacting companies regarding their use of Linux and offering them a UnixWare license. According to Stowell, there are some 2.5 million servers based on the Linux kernel 2.4 or later versions, which have been available since 2001.

Insurance Policy

Securing copyrights adds a measure of credence to SCO's claims, says Yankee Group analyst Laura DiDio. "They are striking the right note of righteousness and responsibility," she told NewsFactor. "They have said they are willing to work with users by creating a pricing plan for them."

Since the controversy arose, SCO has been contacted by about 40 to 50 companies asking what SCO wants from them, DiDio said. She compared the proposed licenses to an insurance policy for businesses running Linux that want protection should the courts rule in SCO's favor. In that case, those who have not paid up would be liable for both licensing fees and damages.

Enterprise Shakedown?

But Giga/Forrester analyst Stacey Quandt says that SCO is exerting undue pressure on corporate Linux users. "SCO is telling companies that if they



Intel® vPro™ Technology

Improved
manageability
built in to your
desktop fleet.

Click for the
Technology White Paper >>



buy a license they will be protected, but they are basing their claims on allegations, not facts," she told NewsFactor. "Why would customers pay unless they know they have to?"

Businesses using Linux may want to wait until the battle between SCO and IBM is settled. "Larger companies can wait this out -- and tell SCO to 'show us the proof, and don't try to shake us down,'" Quandt suggested.

A Serious Case

Still, DiDio pointed out that given the copyrights and the fact that SCO has retained attorney David Boies in its case against Big Blue, this is not a specious legal action. Boies served as the point man in the government's antitrust case against Microsoft.

Both Sun and Microsoft have bought licenses from SCO, she noted, and are using the SCO-IBM flap as a tool to draw customers away from IBM. IBM has yet to step up and specify whether or not, and to what extent, they will indemnify their Linux customers, said DiDio, while Microsoft has done so.

BUYER'S GUIDE

Product Information and Resources for Technology You Can Use To Boost Your Business

Business Intelligence

- Read McKinsey on information technology.

Business Processes

- Global 360 - Your Trusted BPM Leader. Free Gartner BPM Report.

CRM Systems

- First American Meets Its Goals with TechExcel HelpDesk.
- TechExcel CRM - Powerful, configurable, affordable and easy to use.
- Experience CRM Success with Salesforce.com.
- Learn how customer service affects your bottom line.

Enterprise Security

- Microsoft tools & guidance to help defend your network

Hardware

- Special 2 for 1 offer on Intel Itanium 2 Processors
- Why smart money trusts Itanium-based HP Integrity servers.
- Make an impression & boost efficiency: HP printers from Insight
- A better game plan for managing your PC fleet. intel.com/vpro.
- Intel® vPro™ technology. A better game plan for your PC fleet.

Infrastructure